



BROMSGROVE DISTRICT COUNCIL

MEETING OF THE OVERVIEW AND SCRUTINY BOARD

MONDAY 6TH JULY 2020

AT 6.00 P.M.

VIRTUAL MEETING - SKYPE - VIRTUAL

MEMBERS: Councillors M. Thompson (Chairman), J. Till (Vice-Chairman), A. J. B. Beaumont, S. R. Colella, R. J. Deeming, M. Glass, C.A. Hotham, R. J. Hunter, A. D. Kriss, P. M. McDonald and C. J. Spencer

AGENDA

4. Covid-19 Update (Pages 1 - 6)
13. Cabinet Work Programme (Pages 7 - 16)

K. DICKS
Chief Executive

Parkside
Market Street
BROMSGROVE
Worcestershire
B61 8DA

1st July 2020

If you have any queries on this Agenda please contact
Jo Gresham

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GUIDANCE ON VIRTUAL MEETINGS

Due to the current Covid-19 pandemic Bromsgrove District Council will be holding this meeting in accordance with the relevant legislative arrangements for remote meetings of a local authority. For more information please refer to the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police Crime Panels meetings) (England and Wales) Regulations 2020.

Please note that this is a public meeting conducted remotely by Skype conferencing between invited participants and live streamed for general access via the Council's YouTube channel.

You are able to access the agenda for the meeting from the Committee Pages of the website. The livestream of the meeting is available from the Committee Pages of the website or via the link below.

[Overview and Scrutiny Board - 6th July 2020](#)

If you have any questions regarding the agenda or attached papers please do not hesitate to contact the officer named above.

Notes:

As referred to above, the virtual Skype meeting will be streamed live and accessible to view. Although this is a public meeting, there are circumstances when Council might have to move into closed session to consider exempt or confidential information. For agenda items that are exempt, the public are excluded and for any such items the live stream will be suspended and that part of the meeting will not be recorded.



INFORMATION FOR THE PUBLIC

Access to Information

The Local Government (Access to Information) Act 1985 widened the rights of press and public to attend Local Authority meetings and to see certain documents. Recently the Freedom of Information Act 2000 has further broadened these rights, and limited exemptions under the 1985 Act.

- You can attend all Council, Cabinet and Committee/Board meetings, except for any part of the meeting when the business would disclose confidential or “exempt” information.
- You can inspect agenda and public reports at least five days before the date of the meeting.
- You can inspect minutes of the Council, Cabinet and its Committees/Boards for up to six years following a meeting.
- You can have access, upon request, to the background papers on which reports are based for a period of up to six years from the date of the meeting. These are listed at the end of each report.
- An electronic register stating the names and addresses and electoral areas of all Councillors with details of the membership of all Committees etc. is available on our website.
- A reasonable number of copies of agendas and reports relating to items to be considered in public will be made available to the public attending meetings of the Council, Cabinet and its Committees/Boards.
- You have access to a list specifying those powers which the Council has delegated to its Officers indicating also the titles of the Officers concerned, as detailed in the Council’s Constitution, Scheme of Delegation.

You can access the following documents:

- Meeting Agendas
- Meeting Minutes
- The Council’s Constitution

at www.bromsgrove.gov.uk

CABINET

8TH JULY 2020

FINANCIAL IMPACT – CORONAVIRUS PANDEMIC

Relevant Portfolio Holder	Councillor Geoff Denaro , Portfolio Holder for Finance and Enabling Services
Relevant Head of Service	Jayne Pickering, Executive Director Finance and Corporate Resources
Non-Key Decision	

1. SUMMARY OF PROPOSALS

- 1.1 This report aims to provide a briefing for members on the potential impact of the current Coronavirus Pandemic on the Council’s financial performance for the first quarter of 2020-21 and beyond.

2. RECOMMENDATIONS

- 2.2 **That the projected budgetary impact of the Coronavirus Pandemic outlined on this report and related actions both taken so far and planned for the future be noted.**

3. KEY ISSUES

Financial Implications

- 3.1 In terms of the financial impact of the Covid-19 pandemic, the council has seen a significant loss of income from fees and charges and can also expect losses on business rates and council tax collection. The overall impact is difficult to predict and will to a large extent depend on how quickly the economy returns to normal levels of activity.
- 3.2 If the Government does not provide full funding to mitigate the financial losses, the Council’s reserves will be used at a faster rate than predicted in the Medium Term Financial Plan (MTFP), the Funding Gap will increase and a more radical approach will be necessary to accelerate the Savings plans after the most significant period of the pandemic has passed and movement restrictions have been significantly relaxed.
- 3.3 The Ministry of Housing, Communities and Local Government (MHCLG) have undertaken a data collection exercise using the Delta system to gauge the degree of impact of the ongoing pandemic on public sector finances. A submission was made by this Council to meet the deadline of the 15th May; similar data collection exercises are continuing on a monthly basis with the next return due being 19th June. It is hoped these data

collection exercises will result in additional funding. The Local Government Association, Societies of District and County Council Treasurers and District Councils' Network continue to lobby hard on the sector's behalf.

- 3.4 The estimated losses to the Council in 2020/21 based on a 4 months restriction of movement (lockdown) and the a slow recovery (3 months partial impact) is as follows:

Service	Estimated loss impact (April–July)	Estimated loss impact (Aug-Oct)	Total estimated 2020/21 shortfalls in income
	£'000	£'000	£'000
Off-street car parking	380	150	530
Planning	30	20	50
Building control	50	20	70
Contractual Costs / Leisure losses of income	200	400	600
Bereavement/Cemetries	30	20	50
Bulky Waste	50	20	70
Development Management	50	20	70
Land Charges	20	10	30
Licensing - General	40	20	60
Licensing - Taxi	30	10	40
Trade waste	150	50	200
Markets	30	10	40
Lifeline	40	10	50
Other Income	20	10	30
Council Tax (BDC Share)	150	40	190
TOTAL	1,224	743	2,080

- 3.5 It is important to stress that these estimates are based on the assumptions set out at 3.4. and have been calculated on a number of accounts across the Council taking into account trends of when income may be received. These were the agreed assumptions for data collected across the County

and within the Government returns to enable a consistent review. However, it is quite conceivable that actual Council losses could be considerably more than this and potentially double the amounts shown above. The return for June will enable a more informed projection to be made on the income losses for the Council and this will be reported to Members in July.

- 3.6 As can be seen in the table above the main areas of estimated losses are car parking income, Trade Waste and Council Tax losses. Officers are currently in negotiation with our Leisure providers to address the financial impact of the forced closure of the leisure centre and this will be reported to members once the position is clearer in terms of reopening. No impact of Business Rate loss has been factored into the position as it is hoped that the allocation of grants has provided much needed financial support to businesses during this period.
- 3.7 In addition to the income losses there has been additional expenditure by the Council to enable services to be continued during the pandemic. Estimates are included in the Government return to ensure that this cost is offset by funding received. To date the additional spend of approximately £50k has been incurred on home working kit, homelessness support and agency staff to cover staff absence.
- 3.8 As Members are aware funding has been received from Central Government to support the Council in addressing additional pressures resulting from the pandemic. From the initial funding of £1.6bn the Council received £30k which was seen to be inadequate in terms of the potential pressures the Council faced. This was increased to £993k in the second tranche of funding received resulting in a total allocation of just over £1m. It is anticipated that a further funding round will be allocated in early July which may aim to fund the current gap between funding received and the losses expected.
- 3.9 Officers will continue to review the accounts and cash flow of the Council to ensure that the income losses are reported to ensure that any impact on future budget projections is mitigated. The review of the Medium Term Financial Plan will commence in late July and the impact of the pandemic will clearly be a significant pressure to address in this review.
- 3.10 We have also received £461k from the government to provide hardship payments of up to £150 to all working age council tax support claimants. Based on current and expected caseloads
- 3.11 Funding has also been allocated by the Government for opening of the High Streets safely. The Fund will provide councils with additional funding to support their business communities with measures that enable safe trading in public places. Bromsgrove has been allocated £88k to spend on specific costs that will enable safe high streets across the District. This is currently under review as to the most appropriate items to fund and to date signage and hand sanitisers have been purchased.

3.12 It is unlikely that the Government will provide full funding to mitigate the financial losses arising as a result of the pandemic. The Council's focus has to remain at present on sustaining essential services and playing its part in responding to the pandemic through the Local Resilience Forum, but attention needs to be now given to Council recovery. This will include ensuring support to our communities, potentially with an increase in unemployment and providing support and advice to businesses to help them increase trade in the new environment. In addition, if additional funding from the Government does not cover all the lost income and extra costs faced by the District Council, and the gap between the two is significant, the Council's own recovery will focus on where savings have to be made and over what timespan in order to bring the position into line with the MTFP. It is stressed that it is impossible at this stage to know the scale of the issue to be addressed, as there is no certain knowledge about the totality of Government funding or about the Council's loss of income and extra costs. It is therefore impossible to predict what steps might be required but it is right that the Council should be candid with local residents and others about what might have to happen. Over the next few months the following actions will be undertaken and reported to members were appropriate;

- a) development and presentation to members of the Councils recovery plan to demonstrate how the strategic purposes will be delivered over the next few months
- b) full review of the Council Plan to ensure that key elements can be delivered and identifying where there are areas that may be deferred to future years
- c) embedding digital and other methods of service delivery that have worked perfectly satisfactorily during the pandemic, particularly if these would reduce operational costs for the District Council;

4 Legal Implications

4.1 Under section 114 of the Local Government Finance Act 1988, the chief financial officer in consultation with the monitoring officer has the power to issue a report if there is, or is likely to be an imbalanced budget. A full council meeting must then take place within 21 days to consider the notice. In the meantime, no new agreements involving spending can be entered into. The impact of this would effectively be to "freeze" the financial activity of the council in terms on any new/non-essential expenditure. There is no plan to do so at present and it is understood that MHCLG are considering further measures, in addition to the funding and other changes mentioned above, to minimise the risk of any council being the subject of a section 114 notice.

CABINET

8TH JULY 2020

5 Service / Operational Implications

- 5.1 During the pandemic a number of services had been reduced to enable teams to focus on the delivery of the core services to the communities. These services are now being reintroduced and a recovery plan is under development by officers to present to members in August.

6 Customer / Equalities and Diversity Implications

- 6.1 .Vulnerable members of the community have been supported by the Council and other partners during this period and this will continue to ensure all support is given where needed.

7 RISK MANAGEMENT

- 7.1 There is a risk that the lockdown is longer or that the recovery is slower than assumed resulting in a more severe financial impact for the Council. Projections will therefore be kept under review as circumstances develop. In the meantime we will plan for total losses of up to £5m before government support.

AUTHOR OF REPORT

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CABINET LEADER'S WORK PROGRAMME

1 AUGUST 2020 TO 30 NOVEMBER 2020
(published as at 1 July 2020)

This Work Programme gives details of items on which key decisions are likely to be taken in the coming four months by the Council's Cabinet

The Work Programme gives details of items on which key decisions are likely to be taken by the Council's Cabinet, or full Council, in the coming four months. **Key Decisions** are those executive decisions which are likely to:

- (i) result in the Council incurring expenditure, foregoing income or the making of savings in excess of £50,000 or which are otherwise significant having regard to the Council's budget for the service or function to which the decision relates; or
- (ii) be significant in terms of its effect on communities living or working in an area comprising two or more wards in the district;

If you wish to make representations on the proposed decision you are encouraged to get in touch with the relevant report author as soon as possible before the proposed date of the decision. Contact details are provided, alternatively you may write to the Head of Legal, Equalities and Democratic Services, Parkside, Market Street, B61 8DA or e-mail: democratic@bromsgroveandredditch.gov.uk

The Cabinet's meetings are normally held every four weeks at 6pm on Wednesday evenings at Parkside. They are open to the public, except when confidential information is being discussed. If you wish to attend for a particular matter, it is advisable to check with the Democratic Services Team on (01527 881443) to make sure it is going ahead as planned. If you have any queries Democratic Services Officers will be happy to advise you. The full Council meets in accordance with the Councils Calendar of Meetings. Meetings commence at 6pm.

CABINET MEMBERSHIP

Councillor K J May	Leader of the Council and Portfolio Holder for Economic Development, the Town Centre and Strategic Partnerships
Councillor G N Denaro	Deputy Leader and Portfolio Holder for Finance and Enabling (including Governance/Policy and Performance/HR)
Councillor S Webb	Portfolio Holder for Strategic Housing and Health and Well Being
Councillor A Kent	Portfolio Holder for Planning and Regulatory Services
Councillor M Sherrey	Portfolio Holder for Environmental Services
Councillor P Thomas	Portfolio Holder for Leisure, Cultural Services and Community

Decision including Whether it is a key Decision	Decision Taker Date of Decision	Details of Exempt information (if any) and information explaining why items have been postponed (where available)	Documents submitted to Decision Maker / Background Papers List	Contact for Comments
Financial Outturn 2019/20 and Reserves Key: No	Cabinet 6 Aug 2020		Report of the Executive Director of Finance and Resources	Chris Forrester, Head of Financial and Customer Services Tel: 01527 881673 Councillor G. N. Denaro
Burcot Redevelopment - next steps, finance and operating model Key: Yes	Cabinet 6 Aug 2020 Council Not before 16th Sep 2020		Report of the Head of Community and Housing Services	Derek Allen, Strategic Housing Manager Tel: 01527 881278 Councillor S. A. Webb Councillor S. A. Webb
Replacement of Burcot Hostel with alternative suitable accommodation for Homeless Households Key: Yes	Cabinet 6 Aug 2020 Council 16 Sep 2020		Report of the Head of Community and Housing Services	Derek Allen, Strategic Housing Manager Tel: 01527 881278 Councillor S. A. Webb Councillor S. A. Webb

Page 8

Decision including Whether it is a key Decision	Decision Taker Date of Decision	Details of Exempt information (if any) and information explaining why items have been postponed (where available)	Documents submitted to Decision Maker / Background Papers List	Contact for Comments
Creation of Joint Worcs and Herefordshire Waste Partnership Strategy Officer Key: No	Cabinet 6 Aug 2020		Report of the Head of Environmental and Housing Property Services	Matthew Austin, Environmental Services Manager Tel: 01572 882537 Councillor M. A. Sherrey
Domestic Abuse Policy - Identifying Abuse and Responding Effectively Key: No	Cabinet Not before 9th Sep 2020 Council Not before 16th Sep 2020		Report of the Head of Community and Housing Services	Bev Houghton, Community Safety Manager Tel: 01527 64252 Councillor S. A. Webb

Decision including Whether it is a key Decision	Decision Taker Date of Decision	Details of Exempt information (if any) and information explaining why items have been postponed (where available)	Documents submitted to Decision Maker / Background Papers List	Contact for Comments
Car Park Maintenance Report Key: Yes Page 10	Cabinet 9 Sep 2020 Council 16 Sep 2020		Report of the Head of Environmental and Housing Property Services	Kevin Hiron, Environmental Services Manager Tel: 01527 881705 Leader and Portfolio Holder for Economic Development, the Town Centre and Strategic Partnerships Leader and Portfolio Holder for Economic Development, the Town Centre and Strategic Partnerships
Housing Strategy Key: No	Cabinet Not before 9th Sep 2020		Report of the Head of Community and Housing Services	Derek Allen, Strategic Housing Manager Tel: 01527 881278 Councillor S. A. Webb

Decision including Whether it is a key Decision	Decision Taker Date of Decision	Details of Exempt information (if any) and information explaining why items have been postponed (where available)	Documents submitted to Decision Maker / Background Papers List	Contact for Comments
Budget Framework Key: No	Cabinet Not before 9th Sep 2020		Report of the Executive Director, Finance and Resources	Chris Forrester, Head of Financial and Customer Services Tel: 01527 881673 Councillor G. N. Denaro
Finance Monitoring 2020/21 - Quarter 1 Report Key: No	Cabinet Not before 9th Sep 2020		Report of the Executive Director, Finance and Resources	Chris Forrester, Head of Financial and Customer Services Tel: 01527 881673 Councillor G. N. Denaro
Fees and Charges 2021/22 Key: No	Cabinet Not before 14th Oct 2020 Council Not before 21st Oct 2020		Report of the Executive Director of Finance and Resources	Chris Forrester, Head of Financial and Customer Services Tel: 01527 881673 Councillor G. N. Denaro

Decision including Whether it is a key Decision	Decision Taker Date of Decision	Details of Exempt information (if any) and information explaining why items have been postponed (where available)	Documents submitted to Decision Maker / Background Papers List	Contact for Comments
Medium Term Financial Plan 2021/22 to 2024/25 - Update Report Key: No	Cabinet Not before 14th Oct 2020		Report of the Executive Director of Finance and Resources	Chris Forrester, Head of Financial and Customer Services Tel: 01527 881673 Councillor G. N. Denaro
Finance Monitoring 2020/21 - Quarter 2 Report Key: No	Cabinet Not before 25th Nov 2020		Report of the Executive Director of Finance and Resources	Chris Forrester, Head of Financial and Customer Services Tel: 01527 881673 Councillor G. N. Denaro
Medium Term Financial Plan 2021/22 to 2024/25 - Update Report Key: No	Cabinet Not before 25th Nov 2020		Report of the Executive Director of Finance and Resources	Chris Forrester, Head of Financial and Customer Services Tel: 01527 881673 Councillor G. N. Denaro

Decision including Whether it is a key Decision	Decision Taker Date of Decision	Details of Exempt information (if any) and information explaining why items have been postponed (where available)	Documents submitted to Decision Maker / Background Papers List	Contact for Comments
Medium Term Financial Plan 2021/22 to 2024/25 - Update Report Key: No	Cabinet Not before 13th Jan 2021		Report of the Executive Director of Finance and Resources	Chris Forrester, Head of Financial and Customer Services Tel: 01527 881673 Councillor G. N. Denaro
Council Tax Base 2021/22 Key: No	Cabinet Not before 13th Jan 2021		Report of the Executive Director of Finance and Resources	Chris Forrester, Head of Financial and Customer Services Tel: 01527 881673 Councillor G. N. Denaro
Homelessness, Flexible Homelessness Support and Homelessness Reduction Grants 2020/21 Key: No	Cabinet 13 Jan 2021		Report of the Head of Community and Housing Services	Amanda Delahunty, Strategic Housing Officer Tel: 01527 881269 Councillor S. A. Webb

Decision including Whether it is a key Decision	Decision Taker Date of Decision	Details of Exempt information (if any) and information explaining why items have been postponed (where available)	Documents submitted to Decision Maker / Background Papers List	Contact for Comments
Medium Term Financial Plan 2021/22 to 2024/25 (including the Capital Programme) Key: No	Cabinet Not before 10th Feb 2021 Council Not before 24th Feb 2021		Report of the Executive Director of Finance and Resources	Chris Forrester, Head of Financial and Customer Services Tel: 01527 881673 Councillor G. N. Denaro
Council Tax Resolutions Key: No	Cabinet Not before 10th Feb 2021 Council Not before 24th Feb 2021		Report of the Executive Director of Finance and Resources	Chris Forrester, Head of Financial and Customer Services Tel: 01527 881673 Councillor G. N. Denaro

Decision including Whether it is a key Decision	Decision Taker Date of Decision	Details of Exempt information (if any) and information explaining why items have been postponed (where available)	Documents submitted to Decision Maker / Background Papers List	Contact for Comments
Pay Policy Statement 2021/22 Key: No	Cabinet Not before 10th Feb 2021 Council Not before 24th Feb 2021		Report of the Executive Director of Finance Resources	Chris Forrester, Head of Financial and Customer Services Tel: 01527 881673 Councillor G. N. Denaro
Finance Monitoring 2020/21 - Quarter 3 Report Key: No	Cabinet Not before 31st Mar 2021		Report of the Executive Director of Finance and Resources	Chris Forrester, Head of Financial and Customer Services Tel: 01527 881673 Councillor G. N. Denaro

Agenda Item 13